me to provide loans from nationalised banks to agro-based industries;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) Reserve Bank of India (RBI) has been issuing guidelines from time to time to all nationalised banks regarding advances to be extended to agriculture and allied activities, non-farm activities including agriculture based industries. The requirements of credit for such acti-vities are being met by the banks based on the size of operation, nature of activities, their viability and unit cost fixed by the technical committees at the district level. The refinance assistance is made available by the National Bank for Agriculture and Rural Development (NABARD) to the financing banks for setttng up of agro processing and/or for integrated agricultural projects which have investment components for processing activities. The refinance is provided to *the* extent of 90 per cent of term loans for 100 per cent export oriented units and at 75 per cent in respect of other units-

Faulty telephones ta Delhi

*10. DR. RANBIR SINGH:
SHRI RAM NATH KOVIND:

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether Government are aware of the persistent faults in Delhi Telephones;

(b) whether it is a fact that instead of getting the required call, the consumers hear the recorded message that 'this telephone number does not exist' particularly in Janpath Exchange;

(c) whether it is also a fact that a number of complaints are not being attended to by the Mahanagar Telephone Nigam Limited, Delhi; and

(d) if so, what remedial steps are being taken in this direction and whether the subscribers will be refunded licence fee of the period for which their phones remain out of order?

THE MINISTER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI SUKH RAM): (a) Yes, Sir. In such cases, special attention is paid by arranging inspection of the affected telephones.

(b) and (c) Sir, Complaints of the subscriber are being given due attention and faulty telephones are being set right promptly. Only in case of cable breakdowns, the time taken is little longer. In such cases, the subscribers are being informed about the delay

(d) With a view of enhancing customer satisfaction old technology exchanges and cables are progressively being replaced by new technology equipment and in addition rebate in rental is given when telephone services are interrupted/suspended continuously for seven or more days.

Dharna by GIC and LIC employees

*11. SHRI CHATURANAN MISHRA:
SHRI GURUDAS DASGUPTA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that an American insurance delegation visit ed India to have discussions with Government on the privatisation *ot* insurance industry in the country;

(b) if so, the details and the out come of the visit;

(c) whether the employees of LIC and GIC staged a dharna outside the Jeevan Bharti building in New Delhi on 30th January protesting

against the visit of delegation and Union Government's move in this regard; and

(d) if so, the details and Government's reaction to the apprehension of the employees of losing jobs etc. in the event of privatisation of this sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (d) The International Insurance Council (IIC), Washington, USA, or ganised a Trade Mission consisting of U.S. insurance companies to India from 28th January to 4th February. 1995. The purpose of the visit, *inter* alia, was to understand the econo mic, trade, and business policies of the Indian Government and assess the market potential and opportu nities for participating in the insur ance business in India. The delega tion did not hold any discussions with the officials of the Indian Gov ernment. Some employees of the Life Insurance Corporation of India (LIC) and General Insurance Corporation of India (GIC) staged a dharna to protest against this visit outside the Jeevan Bharti Building. Connaught Place, New Delhi on 30th January, 1995. The Government is yet to take a view on the recommendation made by the Malhotra Committee regarding entry of private sector into the insurance industry. All relevant aspects will be kept in mind while taking a final view in the matter.

UK team Probing fraud against four Indian Banks

*12. SHRI VIREN J. SHAH:
SHRI PRAMOD MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a newsitem which appeared in the Observer of September 22, 1994 under the caption, "UK team probing fraud against four Indian Banks";

(b) if so, what are the fact and the relevant details in this regard in respect of each bank;

(c) how much amount is involved in this fraud and when and how it was detected and waht concrete steps were taken since then to investigate the fraud and what is the outcome of this investigation and further action taken thereon;

(d) whether it is a fact that though the managements of these banks were aware of the frauds in the Eighties, yet they tried to bush it up; if so. what are the facts in this regard and what action has been taken or is proposed to be taken against the concerned authorities;

(e) what has been the role of the Reserve Bank of India in detecting such frauds, and the number of fraud cases which have come to Government's notice during each of the last three years and the action taken in each case; and

(f) what is the extent of losses suffered by each bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (d) Government have seen the newsitem referred to in the Quest-tion. Reserve Bank of India (RBI) have reported that a fraud was perpetrated on Bank of Baroda, Bank of India, Syndicate Bank, Canara Bank and UCO Bank by Letap Group of Companies operating from U.K. The fraud was perpetrated by bogus bills of exchange, bogus bills of lading, etc.

The accounts of Letap Group of Companies became irregular in 1991